

September 1, 2006

Mr. Lenney Goldberg
 Federal Highway Administration (HPPI-10)
 400 7th Street, S.W., Room 3306
 Washington, D.C. 20590

RE: FHWA-536 (Local Highway Finance Report)

Attached for your record is File 536DE05.xls, which conforms to “A Guide to Reporting Highway Statistics.”

The municipalities in Delaware do not receive federal-aid for highways and streets. However, the cities and towns receive municipal aid from DeIDOT’s Transportation Trust Fund (TTF) on an annual basis. The Municipal Street-Aid fund amounted to \$6 million for FY 2005 in Delaware. See attached file FY2005-6ML.xls. Listed below are two tables that contain the top 5 and bottom 5 cities/towns that are recipients of the Municipal Street-Aid fund.

TOP 5 RECIPIENTS OF MUNICIPAL STREET-AID FUND				
TOWN	2004 POPULATION	2004 STREET MILEAGE	TOTAL AID FY-2005	Percentage of total
MILFORD	6,732	35.18	\$ 243,384.30	4.06%
MIDDLETOWN	11,755	28.78	\$ 261,798.08	4.36%
NEWARK	28,547	64.80	\$ 610,324.85	10.17%
DOVER	33,434	91.34	\$ 792,012.24	13.20%
WILMINGTON	73,571	146.67	\$ 1,471,301.22	24.52%
Total			\$ 3,378,820.68	56.31%

BOTTOM 5 RECIPIENTS OF MUNICIPAL STREET-AID FUND				
TOWN	2004 POPULATION	2004 STREET MILEAGE	TOTAL AID FY-2005	Percentage of total
HARTLY	107	0.00	\$ 1,073.66	0.02%
FARMINGTON	122	0.21	\$ 2,273.78	0.04%
MILLVILLE	259	0.00	\$ 2,598.86	0.04%
LITTLE CREEK	172	0.18	\$ 2,625.55	0.04%
MAGNOLIA	211	0.13	\$ 2,766.97	0.05%
Total			\$ 11,338.81	0.19%

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In addition to the municipal street aid, the 62 Delaware legislators receive \$300,000 each for street projects in their respective districts from the TTF. There is also a provision for \$1.50 million for statewide drainage projects in the TTF.

Unlike cities such as Wilmington and Dover, which receive various grants, the small towns of the State have limited resources. With help from local volunteers, these small towns organize events in the neighborhood churches and firehouses to raise money for supplementing their operating expenses.

Since the submission for FY 2001 in the year 2002, the Highway Law Enforcement and Safety Expenditure in municipalities have increased from \$9,549,499 to \$18,955,426 in FY 2005. This 98.50% increase over a period of 4 years is putting undue burden on the municipalities of Delaware, particularly the small towns.

The distribution of Municipal Street-Aid fund is formula-based. It seems there is a need to review the formula for equity in the distribution considering financial scarcity in small towns.

There is also a need to change FHWA-536 table to make it more user friendly. The part-time administrative staff members of small municipalities would benefit if an instructional manual/learning CD were distributed by the FHWA.

I will provide additional information, if needed.

Sincerely,

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cc: Paul Lang, Planning and Research Engineer
Federal Highway Administration

File name: 536_2005.Doc
Attached Excel File Name: 536DE05.xls
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